



## **HINGHAM AFFORDABLE HOUSING TRUST**

Hingham Town Hall  
210 Central Street  
Hingham MA 02043

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### **80 Beal Street Fact Sheet**

The following is a brief summary of the anticipated eligibility, qualification and selection-by-lottery process for the future residents of the proposed 80 Beal Street redevelopment project. This process applies to the “affordable” homes only. Currently a minimum of two of the eight homes will be designated affordable. The remaining six homes will be marketed and sold as traditional purchase and sale transactions.

#### ***Will the residences be home ownership or rental units?***

All proposed residences will be under condominium ownership. The “affordable” homes will include a deed restriction that will limit both the sale and resale prices of those homes.

#### ***How will the affordable status be funded/subsidized?***

The HAHT, dedicated to creating and preserving affordable housing in Hingham, will provide some of the subsidies. Other sources may include the following:

- Massachusetts Department of Housing and Community Development (DHCD)
- MassHousing
- Massachusetts Affordable Housing Trust Fund(AHTF)
- Committee on Preservation Commission (CPC)
- Mass Housing Partnership
- Community Economic Development Assistance Corporation (CEDAC)

#### ***What determines affordability?***

The window of “affordability” for home ownership residences is defined as between 70%-80% of the area medium income. Hingham is considered to be in the Cambridge, Quincy, Boston PMSA (Primary Service Area). For Hingham, incomes

that are within the window of affordability are broken down by household size as follows:

<b><i>Household Size Total # of Persons</i></b>	<b><i>Maximum Household Income</i></b>
Two people	\$51,550
Three people	\$58,000
Four people	\$64,400

For example, if you are a family of four, you will not qualify to apply for an affordable unit if your total household income exceeds \$64,400.

***How will one qualify to buy these affordable condominiums?***

A period for submittal of applications for the affordable units will be advertised at a later date. Applications must be submitted and received prior to the advertised deadline to be considered. Also, only applications with incomes within the affordability window illustrated above will be considered.

At the present time, one unit will be available to any household that income qualifies and the other unit will be designated a local preference unit. For the local preference unit, prospective buyers must have incomes within the affordability window illustrated above **and additionally** must qualify for a local preference by being one or more of the following:

- Current Hingham resident
- Families of current Hingham resident
- Hingham municipal employees.

The local preference applicant pool must include at least 20.7% minority applicants; if not, a preliminary lottery comprised of all minority applicants that did not qualify for the local preference pool will be conducted and the resulting minority applicants to satisfy the 20.7% minority requirement will be placed in the local preference pool. For the local preference pool, first household preference will be given to applicants who meet at least one of the criteria above. For both pools, the size of an applicant's family and available corresponding sized units will be factored into the lottery proceedings.

The developer's lottery agent will conduct a separate lottery for each of the affordable units to determine a pool of qualified applicants for each unit. The first application drawn for each unit will have the opportunity to proceed and qualify for the purchase of that unit, and the remaining applicants will be placed on the

respective wait list, which will be maintained by the developer's lottery agent, in the order in which their application was drawn from the lottery.

***Who will determine whether a potential buyer is qualified?***

Using state guidelines, the developer will hire an outside lottery agent to conduct the lottery. The HAHT will set forth the local preference policy in the request for proposal process to designate a developer and will monitor the lottery process.

***What will the cost of the units be?***

Affordable sales price(s) are determined based on low and moderate-income families spending no more than 30% of their annual income on housing costs in a formula set forth by the state. At present, our pro-forma shows Market Rate Units selling for a projected amount of \$500,000 and the affordable units selling for a projected amount of \$220,000.

At a minimum, two of the eight units will be sold at affordable prices. Depending on whether the trust can raise additional funds, there may be an opportunity to designate and sell one more affordable unit.

***Who will maintain the building and grounds once the units have been sold?***

The care and maintenance of the common area grounds will be turned over from the designated developer to a condominium association once a certain percent of all units have been sold. All individual houses will be maintained by their respective Owners.

The master deed and condominium trust for the condominium will designate ownership interests in the condominium and set forth operating rules and procedures for the condominium, including its annual budget and reserve requirements. Each condominium owner will have a deed that requires them to pay their proportionate share of condominium fees for maintenance of the condominium property. The condominium reserve has been estimated to be 10% of the yearly operating budget in accordance with current mortgage underwriting standards.